

~~S-E-C-R-E-T~~  
SECURITY INFORMATION

REQUIREMENT OUTLINE

*4 June 53*  
*copy of outline*  
*accompanied*  
*SC-07507 - memo*  
*from Sheldon*

D/A

I. Economic Aggregates

A. What proportions of the claimed annual increases in Soviet gross national product, since 1945, can be accounted for by:

1. Increase in the labor force.
2. Production resulting from:
  - a. Reparations and lend-lease equipment.
  - b. Rehabilitation of economic facilities.
  - c. Expansion of existing (or rehabilitated) facilities.
  - d. Construction of new facilities.
3. Increased productivity, including that which results from investment in more modern equipment, development of new techniques, and from technical education.
4. Exploitation of foreign capital, engineers, and skilled labor.
5. Other factors not mentioned above.

B. What is the effect on the calculations of both the gross national product and the increases in it of:

1. Use of 1926/27 price base during the Fourth Five Year Plan.
2. Use of the 1950 price base during the Fifth Five Year Plan.  
(When was the 1950 index first decided upon, when was it first adopted, and what was its significance in measurement of gross production and of productivity?)
3. Inclusion of turnover taxes in the price structure and collection of taxes in kind.
4. The omission of services from Soviet computations.
5. The use of Soviet prices rather than a non-Soviet price base.

C. What does the planned 60 percent increase in GNP mean in terms of growth of economic potential for war?

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D. To what extent will physical and geographic factors limit in the long run the growth of the Soviet economy? When, if at all, will these factors begin to have a serious effect?

(Examples of such factors are: disposition of resources, requiring long freight hauls; location of resources in areas difficult to reach and difficult to live in; availability of arable land; climate; direction of flow of rivers, etc.)

E. What effect might the answers to the above questions have had on Soviet economic planning?

D/S

II. Labor

A. What have been the annual increments to the labor force of the Soviet Union since the war? What were the sources of these increments?

B. Does the slowing of this expansion reflect a conflict between industry and agriculture on the allocation of labor? Has the rapid expansion of the industrial labor force handicapped agricultural production?

C. What are the major shifts which have taken place in the vocational training and allocations of labor during this period? What are the dates of such shifts and what policy issues or conflicts are reflected in them?

D. Were there any significant changes in the use of labor reserves in late 1949 - early 1950?

D/M

III. State Reserves

A. A chronological history of the activities in the mobilization reserves and state reserves programs since 1945, including: the dates of probable changes in use of the reserves; releases from reserve stocks, replenishment of them, and the proportion of production allocated thereto.

D/S

IV. Trade Policy

A. A chronological history of the trade policy and activities of the Soviet Union towards non-Orbit countries since the war\* including:

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\*The trade policy as reflected in activities at international conferences, particularly in the activities of the East-West Trade sub-committee of the ECE, and the history of the Moscow Economic Conference would be valuable supplements to the history of bilateral and tri-lateral negotiations.

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1. Dates of changes in policy as reflected in activities, their nature and their implications.
2. The organization or organizations concerned with trade policies and activities, dates of shifts in organizational responsibility and subordination, and the implications thereof.
3. The personalities concerned with trade policies and activities, the organizations and policies with which they were identified, and dates of any changes in their status.
4. A chronological history of the trade policies and activities of non-Orbit countries towards the Orbit since the war, including dates of changes and their exact nature.
5. Dates of agreements signed since the war, their magnitude and any significant changes from previous agreements with each country. The history of negotiations which did not result in agreements.
6. The major features of the annual geographic and commodity trade pattern, and significant changes therein.
7. Specific goods lost to the USSR through initiation of the US export control program in 1948, including:
  - a. Actual equipment contracted for but never shipped, or shipped only in part.
  - b. Loss of sources of formerly imported commodities.

D/I, D/M V. Industry and Materials

- A. A chronological history of the activities since the war in each Soviet industry, including:
  1. Dates of changes in industrial activities\*, their exact nature and their implications. Dates of changes in production schedules and any evidence of sudden changes in plans.

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\*e.g., conversion, reconversion and increases or changes in the methods of handling mobilization reserves are of special interest.

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2. The major problems encountered in the industry, starting with January 1948.\*\*
3. Changes in "norms" of production within the industry.
4. The available estimates of the annual volume of production of the principal products of each industry since 1945 (where necessary, an index figure based on volume is acceptable) and the divergence between plan goals and achievement.
5. The major sources of the annual increases in production within each industry.
6. The estimated annual increases in productivity and labor force in the industry since 1945 and the sources.
7. Specific difficulties encountered in fulfillment of plan goals since 1945.
8. Are the specific goals of the Fifth Five Year Plan realistic? For which commodities are they unrealistic?
9. Limiting factors which will tend to slow industrial growth in the future. When will these begin to operate?

D/M

VI. Agriculture

1. Available estimates of annual production of major crops since the war, and the divergencies between plan goals and achievement.
2. Specific difficulties encountered in the fulfillment of the plan goals since 1945.
3. Are the specific goals of the Fifth Five Year Plan realistic?
4. What factors are most likely to limit plan fulfillment: machinery; manpower; fertilizer; or arable land?
5. Are agricultural demands for these resources apt to conflict with specific industrial or military demands?
6. In the long run, will food production be a serious limiting factor on the growth of the Soviet economy? If so, when will this effect become apparent?

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\*\*A major source of this information is the journals published by almost every Soviet industry.

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D/S VII. Construction

A. A chronological history of construction policy and activities since the war (major purposes for which construction was allocated) including:

1. Dates of changes in policy as reflected by changes in activities, their nature, and their implications.
2. The organization or organizations concerned with construction policy and activities, dates of shifts in organizations responsibility and subordination and the implications thereof.
3. The personalities concerned with construction policy and activity, the organizations and policies with which they were identified, and the dates of their changes in status.
4. The major construction projects: when first announced, when started, any delays in progress, and specific difficulties encountered in the fulfillment of planned schedules.

D/S VIII. Transportation

A. A chronological history of developments in the fields of transportation and transportation equipment parks since the war, including:

1. Dates of changes in policy as reflected in changes in activities, their nature, and their implications.
2. The organization or organizations concerned with transportation policies and activities, dates of shifts in organizational responsibility and subordination, and the implications thereof.
3. The personalities concerned with such policies and activities, the organizations and policies with which they were identified, and the dates of their changes in status.
4. The annual changes in capacity, facilities, and equipment park, the sources of these changes (i.e., reparations, rehabilitation, increased efficiency, new construction) and specific difficulties encountered in the fulfillment of plan goals.

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5. Are the relatively modest increases in transportation operations and construction called for under the Fifth Five Year Plan consistent with the high industrial and agricultural goals set?

6. What progress is the USSR making in reducing long rail hauls? To what extent will the length of haul be a limiting factor in industrial growth?

D/S IX. Consumers' Goods and Internal Financial Policies of the USSR

A. A chronological history since the war of activities concerned with production and distribution of consumers goods and internal financial policies (i.e., standard of living, tax rates) including:

1. Dates of changes in policy, as reflected in activities, their nature and their implications.
2. The organization or organizations concerned with consumers' goods and internal financial policies and problems, dates of shifts in organizational responsibility and subordination, and the implications thereof.
3. The personalities concerned with such policies and activities, the organizations and policies with which they were identified, and dates of any changes in their status.
4. Changes in the amounts of consumers' goods available on a per capita basis of the consumers' goods in terms of quantity and price, and including housing.
5. The effect of state loans, taxes, changes in the quantity of money, and wage and "norm" changes on the apparent increases in standard of living resulting from price reductions.

D/A  
(D/S) X. Planning

A. A chronological history of planning activities related to the Five Year Plans since the war, including: the dates on which plans were first mentioned; propaganda and statements regarding them; delays or apparent confusion in the planning process; and the dates of announcement of the plans themselves.

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INFORMATION SHEET

1. The term "personalities", as used throughout these requirements, refers to persons at the deputy chief directorate level and above. Any personality below that level should be discussed if his personal fortunes are directly connected with those of an individual at the deputy chief directorate level or higher, or if in the opinion of the analyst his career is important enough to warrant individual treatment.

2. The types of the policy changes with which this study is concerned are those which are reflected in specific economic activities. It is hoped that the answers to the attached requirements will provide information which will answer the following types of questions and thus the problems with which they are concerned.

a. Differences in emphasis between long-range development and short-range production.

(1) Was there greater emphasis on general educational programs or on intensive vocational training?

(2) Were there refusals to make releases from mobilization reserves even though current production was endangered?

(3) Was utilization of equipment or its care and maintenance considered more important?

b. Conflicts between efforts to improve the standard of living, those to increase military production, and those to increase the industrial plant.

(1) Were price reductions in those goods which are consumed by the "masses"?

(2) Were price reductions compensated for, in whole or in part, by increased state loans or taxes?

(3) Were major hydro-electric projects given preference over more immediate increase of thermal capacity?

(4) Were plants converted from wartime production; reconverted from peacetime production?

\*Glavnaya Upravleniye, also translated Chief Administration or Main Administration.

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c. Conflicts between efforts to acquire the benefits of greater trade, those to acquire political benefits through trade, and those to limit trade to the absolute minimum.

(1) Were goods withheld from domestic use in order to provide foreign exchange?

(2) Were unusually high prices paid for certain goods or to obtain trade agreements with certain countries?

(3) Were goods normally sold outside the Orbit withheld for any reason?

(4) Was bargaining particularly stringent in any instances and if so, towards which countries?

3. It is not only necessary to identify a policy through analysis of activities, but it is necessary to know as precisely as possible when such a policy was initiated and implemented. In some instances, such as conversion of a plant to a new product, the knowledge of a change may become known two years later than the decision; both the time of the decision and the time of its effective result are needed.

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